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TRADE MARK RULES, 2017 – A GIANT LEAP

"AMLEGALS maintains that **IPR is an **asset** to a company.**

We simply help businesses to strategically **create, retain and **maintain** those **assets** intact.**

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documents at the end of the office of TM Registry.

A.1 Concessional Registration Fees



A concessional fee structure has been provided for specific categories i.e. individuals, small enterprises and start ups.

It has been also provided differently as below:

- a. Physical filing - **Rs. 5,000.**
- b. E-filing- **Rs. 4,500.**

A.2. Definition of Small Enterprise & Start ups

A **small enterprise** has been defined under Section 2(m) of the Micro, Small and Medium Enterprises Development Act, 2006 as below:

"Small enterprise" means an enterprise classified as such under sub-clause (ii) of clause (a) or sub-clause (ii) of clause (b) of sub-section (1) of section 7;

a) in case of an enterprise engaged in the manufacture or production of goods, an enterprise where the investment in plant and machinery does not exceed the limit specified for a medium enterprise under clause (a) of sub-section (1) of section 7 of the Micro, Small and Medium Enterprises Development Act, 2006; and

b) In case of an enterprise engaged in providing or rendering of services, an enterprise where the investment in equipment is not more than the limit specified for a medium enterprise under clause (b) of sub-section (1) of section 7 of the Micro, Small and Medium Enterprises Development Act, 2006.

*Explanation: "**enterprise**" means an industrial undertakings or a business concern or any other establishment, by whatever name called, engaged in the manufacture or production of goods in any manner pertain to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951 or engages in providing or rendering or any services or services in such an industry.*

Small Manufacturing Enterprises: Where the investment in plant and machinery is more than Rs. 25 lakhs but does not exceed Rs. 5 crores.

Medium Manufacturing Enterprises: Where the investment in plant and machinery is more than Rs. 5 crores but not exceeding Rs. 10 crores.

Small Service Enterprises: Where the investment in equipment is more than Rs. 10 lakhs but does not exceed Rs. 2 crores

Medium Service Enterprises: The investment in equipment is more than Rs. 2 crores but does not exceed Rs. 5 crores.

Note - Indian applicants need to furnish their financial statements in order to claim their entity status

Whereas, a "**Start-up**" means

i) The entity has to be registered as a start up with the competent authority under Start-up India initiative,

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ii) In case of a foreign entity, an entity fulfilling the criteria for turnover and period of incorporation/registration as per Start-up India Initiative and submitting declaration to that effect.

Explanation: In calculating the turnover, reference rates of foreign currency of Reserve Bank of India shall prevail.

An entity will be identified as a start-up:

I) Up to 5 years from the date of incorporation.

II) If its turnover does not exceed 25 crores in the last five financial years.

III) It is working towards innovation, development, deployment, and commercialization of new products, processes, or services driven by technology or intellectual property.



A.3. Expediting Trademark Registration

To facilitate the expedited processing of Trademark applications, only physical filing of the relevant forms is allowed.

The fee also differs for such applications, provided under Rule 34, as below:

a. for individuals/start ups/small enterprises- Rs. 20,000

b. for others- Rs. 40,000

Till now, expediting was only allowed till the examination stage **but now it has been provided for registration as a whole.**

B. Reduction in number of forms

The existing 75 forms, previously for various purposes, have been reduced to only 8 valid forms.

A single form is now introduced for common purposes. In other words, for single class, multi-class and collective marks registration, only one form is required to be filed.

This will result a simple and hassle free process of registration of trademarks.

C. E-services For Communications

E-mail Communications- E-mail will be the mode of communication by Registry with the applicant.

Service of document - Any service of document by email shall be construed as delivery to the applicant in terms of **Rule 18.**



Hearing - A hearing, under **Rule 115**, could also be granted & taken up through video conferencing or other means of audio-visual communication. This would ensure efficient hearings and lesser adjournments in cases.

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Adjournments In Opposition Hearing - No more than 2 adjournments will be granted, under **Rule 50**, in an opposition hearing under any circumstances.

Online Counter statement - The counter statement filed in response to notice of opposition is not needed to be physically served upon the party if it is already available online on the official online records. This would expedite the procedure and bring more transparency.



These steps show the thrust of the Government of India on its **initiate of on 'Digital India'**.

D. Well known Trademarks

Trademark Rules, 2017 as effective from 06.03.2017, have introduced a crucial change with empowerment of the Registrar of Trademarks to declare a mark as well known trademark.

This can be considered to be the most welcome change to **signify the IPR as an asset for a company** and to **prevent its possible infringements** as well.



A **well known trademark** as defined under **Section 2(zg)** of the Trademarks Act, 1999 is:

“Well known trade mark, in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.”

Application for well known mark- The Applicant shall have to file an application under Form TM-M under Rule 124 of the rules.

It shall be filed with the Registrar for determination of a trademark as a well known trademark.

Documents & Evidence - Application should have evidence towards the use of the Trademark over a long period of time.

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It should also accompany other documents supporting its claims that the mark has made a unique place for itself in the minds of the consumers.

It should be adduced at the time of filing application only.

Fees - Rs. 1 lakh (Rupees One Lakh).

Process Of TM-M versus TM-1 - The process of the filing of the application is very similar to filing the erstwhile TM-1 application in as much as the Registrar will decide the application by taking into account the provisions of Section 11 of the Trademark Act, 1999.



The Registrar, after receiving application, can give relative grounds of refusal of registration and/or he may also call for further documents/evidences to reach a conclusion whether the mark is a well known trademark.

Pre Well Known Declaration - The Registrar before declaring a mark as a well known trademark would invite objections from the general public.

Publication in Journal - Once the trademark is declared a well known trademark, it would be published in the journal.

Inclusion under List of well known mark - A well known mark shall **be also included in the list of well known trademarks** maintained by the Registrar.

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Removal From Well known mark - The mark, if found to be erroneously included in the list and not justified, may even be removed after providing an opportunity to the party for a personal hearing adhering to the principles of natural justice.

It is pertinent to note that till the date various well known trademarks had been declared through the order of the Courts in India.

Note - Earlier, the power to declare a well known trade mark only vested with the Courts wherein it was done by passing an order.

It was declared by deciding upon the disputes of its use, its popularity and its perception & popularity among the common public with prudent understanding.

The existing well known trademarks such as Bajaj, Whirlpool, Honda, McDonalds, Pepsi etc. and various others can be referred at

<https://ipindiaonline.gov.in/tmrpublicsearch/wellknownmarks.aspx>.

E. Applicant's affidavit for claiming "use"

An affidavit has to be filed by the Applicant along with the requisite evidence and documents while claiming "use" of a particular mark. Such a requirement was not there earlier and it was the Examiner's discretion to call for Affidavit claiming the use of a particular mark.

F. Registration Of Sound marks

Sound marks can also be registered now under the revised Rules.

Sound Trademarks around the World

- **MGM's roar** of a lion is registered as a Trademark in the US.
- **Yahoo** has registered its well known sound as a Trademark in various countries around the world including India.
- **Nokia's** default ringtone is also registered in India and other parts of the world.

A file in **mp3 format** has to be sent which should not exceed 30 seconds along with the graphical representation of the sound notations.

G. Registration of 3-D marks

3D registration is a known concept in other parts of the world. But, now it can be also registered in India.



If an application is filed for the registration of 3-D mark, a two dimensional graphic reproduction of the trademark has to be furnished in three different views.



The **Bang & Olufsen** loudspeaker model BEOLAB 8000 is an OHIM registered 3D trademark, has a strikingly “dissimilar” shape that is easily remembered by consumers.

The mark was given the Registration as a 3D trademark way back in 1999 by France keeping in mind the distinctiveness and technicality function.



Nestle has registered the 3D Contrex bottle under the OHIM.



Coca-Cola obtained a 3D registration for of the Coca-Cola bottle in 1998 after a long drawn battle with the Japan Patent Office.

If the Registrar is not satisfied and thinks that the trademark is not a 3 dimensional mark, he may call upon the applicant to furnish up to five further different views of the trademark and a description by words and if needed, a specimen of the trademark.

CONCLUSION

The will of the Central Government to have better IPR laws in India has finally paid off by notifying Trademark Rules, 2017 on 6th March 2017.

Its foundation was laid down by putting the draft of Trademark Rules, 2015, in public domain, whereby suggestions were called upon to have an effective trademark regime in India.

We maintain that with Trademark Rules, 2017, in the long run, our Trademark system will become more progressive, efficient and user friendly.

AMLEGALS believes that these changes would encourage a lot of foreign companies and business to protect their Trademarks in India. It will boost the ease of doing business in India by way of facilitate for ease of registration and protection of Trademarks.

The notified changes are a step in the right direction and would help bring the Indian Trademark Registration system at par with the practices prevailing in the world as well.

"The time has come when every business should realise that if IPR is not well protected in an effective and strategic manner, then it may damage the bottom line growth in mid to long term for respective businesses.



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We will be pleased to attend to your queries & interact with you on IPR.

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